

Fiscal Note



Fiscal Services Division

SF 2198 – Prescription Monitoring Program (LSB5275SV)

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Fiscal Note Version – New

Description

<u>Senate File 2198</u> amends the <u>Prescription Monitoring Program</u> (PMP) in the following ways:

- Expands information collection and required proactive reporting regarding a patient who is suspected to be practitioner shopping or pharmacy shopping or at risk of abusing or misusing a controlled substance.
- Creates an advisory committee appointed by the Board of Pharmacy, as opposed to the current advisory council appointed by the Governor. This advisory committee assists the Board of Pharmacy in establishing the thresholds and other criteria to be used in identifying at-risk patients.
- Authorizes the Board of Pharmacy to establish a surcharge of up to 25.0% on Controlled Substances Act (CSA) registration in Iowa Code section <u>124.302</u>. Revenues are required to be deposited in the Drug Information Program Fund.
- Adds dispensing prescribers to the list of people required to report to the PMP.

Background

The PMP provides authorized prescribers and pharmacists with information regarding their patients' use of controlled substances. It is used as a tool in determining appropriate prescribing and treatment of patients without fear of contributing to a patient's abuse of or dependence on addictive drugs or diversion of those drugs to illicit use. Iowa-licensed pharmacies, including both in-state and nonresident pharmacies, are required to report to the Iowa PMP all Schedule II, III, and IV controlled substances dispensed by the pharmacy to ambulatory patients.

There are approximately 19,500 Controlled Substance Act registrants in Iowa. CSA registration is done biennially, so approximately half renew every year.

Assumptions

- The Board of Pharmacy will establish a surcharge of 14.0%, which will amount to approximately \$12 per registrant.
- The Board of Pharmacy will require 0.5 full-time equivalent (FTE) position for implementing and administering the expanded PMP, including proactive notification issuances. There will also be office equipment costs for additional staff.
- The advisory committee membership will increase from six people to 10 people, and the advisory committee will meet twice per year rather than once per year.

Fiscal Impact

No impact to the General Fund is expected.

The Drug Information Program Fund will receive increased revenue of approximately \$117,000
per year beginning in FY 2019. Increased expenditures from the Fund for staff and board
meetings are estimated to total \$105,000 per year beginning in FY 2019.

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Board of Pharmacy

 /s/ Holly M. Lyons	
February 8, 2018	

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.